

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE **X** WATER SANDS LOCATION INSP SUB. REPORT/abd.DATE FILED **2-1-94**

LAND: FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO. **U-27403**

INDIAN

DRILLING APPROVED: **FEBRUARY 4, 1994**

SPUDED IN:

COMPLETED:

PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: **LOCATION ABANDONED APD EXPIRED EFF. APRIL 15, 1996**FIELD: **GREATER CISCO**

UNIT:

COUNTY: **GRAND**WELL NO **BISON #1****API NO. 43-019-31348**LOCATION **270' FNL**

FT. FROM (N) (S) LINE.

2433' FWL

FT. FROM (E) (W) LINE.

NENW1/4 - 1/4 SEC. **30**

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

OPERATOR

20S**24E****30****SATURN RESOURCES**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☐

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

SATURON Resources Corp

3. ADDRESS AND TELEPHONE NO.

2021 WINDRIDGE PLANO TX 75075

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface NE NW T20S R24E SEC 30

At proposed prod. zone

Morrison 1500'

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

16. NO. OF ACRES IN LEASE

19. PROPOSED DEPTH

17. NO. OF ACRES ASSIGNED
TO THIS WELL

20. ROTARY OR CABLE TOOLS

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

22. APPROX. DATE WORK WILL START*

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 5/8	7"	20.0	150	75 SKS
6 3/4	4 1/2	10.5	1500'	155 SKS

RECEIVED
MOAB DISTRICT OFFICE
93 OCT -4 AM 8:25
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

OCT 08 1993

DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

R. L. [Signature]

TITLE

Vice President

DATE

9-27-93

(This space for Federal or State office use)

PERMIT NO.

43-019-31348

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

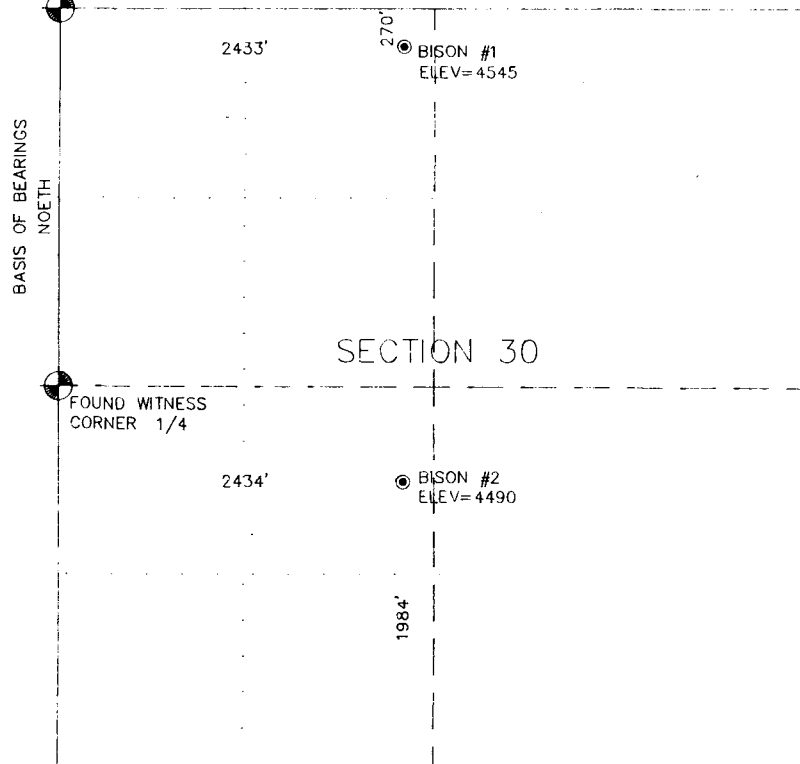
2-4-94
J. Matthews
102-16B

*See Instructions On Reverse Side

A WELL LOCATION PLAT OF *BISON #1 & BISON #2*

IN THE
NW1/4 AND THE SW1/4 SECTION 30,
T 20 S, R 24 E, SLB & M, GRAND COUNTY, UTAH

NW CORNER SECTION
30, T 20 S, R 24 E, SLB & M



GRAPHIC SCALE



(IN FEET)
1 inch = 1000 ft.

LEGEND

● PROPOSED WELL LOCATION. MONUMENTED
WITH A 3/8" x 12" SPIKE AND LATH

⊙ FOUND GLO BRASS CAP MONUMENT

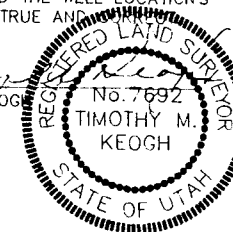
NOTE: ELEVATIONS BASED ON A ELEVATION OF 4580 AT THE
NW CORNER SECTION 30 (FROM USGS 7.5' TOPO QUAD
DANISH FLAT, UTAH)

SURVEYORS CERTIFICATE

I, TIMOTHY M. KEOGH, DO HEREBY CERTIFY THAT I AM
A REGISTERED UTAH LAND SURVEYOR, HOLDING CERTIFICATE
NO. 7692 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF
UTAH, AND I FURTHER CERTIFY THAT UNDER AUTHORITY OF
EXXON COMPANY, USA, I HAVE SURVEYED THE WELL LOCATIONS
AS SHOWN HEREON AND THAT SAME IS TRUE AND CORRECT.

6-29-93
DATE

TIMOTHY M. KEOGH



KEOGH LAND SURVEYING
45 EAST CENTER STREET MOAB, UTAH, 84532

A SURVEY PLAT OF
BISON #1 & BISON #2

IN THE
NW1/4 AND THE SW1/4 SECTION 30,
T 20 S, R 24 E, SLB & M, GRAND COUNTY, UTAH

PREPARED FOR

BISON RESOURCES

DATE: 6-29-93	DRAWN BY: TMK	CHECKED BY: TMK
SCALE: 1"=1000'	F.B.# 110	#21 BISON.DWG

RECEIVED
MOAB DISTRICT OFFICE

UT-060-3160-1
February, 1993

93 OCT -4 AM 8:25

Bureau of Land Management
Moab District

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Application for Permit to Drill
On-Site Inspection Checklist

Company Saturn Resources Corp Well No. Bison #1

Location: Sec. 30, T. 20S, R. 23E, Lease No. UTU 027403

On-Site Inspection Date 8/5/93

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR § 3100), Onshore Oil and Gas Orders, the approved plan of operations and the conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops:

MAJUS 200 - 400 Ft
DAKOTA 600 - 950
MORRISON 951 - 1200
SALT WASH 1201 - 1400

RECEIVED
OCT 08 1993

DIVISION OF
OIL, GAS & MINING

2. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered

Depth/Formation
Expected Oil Zones: MORRISON 1200

Expected Gas Zones: DAKOTA 750

Expected Water Zones: SALT WASH 1400

Expected Mineral Zones: _____

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to BLM. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment -include schematics of the BOP and choke manifold, and describe testing procedures: SEE DIAGRAM - BOP MANIFOLD
BLIND, ACCUMULATOR 3000 PSI - TESTED
TO BLM ON SITE APPROVAL

BOP systems will be consistent with API RP 53 and Onshore Oil and Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded in the drilling log and in the daily drilling report.

4. Casing Program and Auxiliary Equipment -include casing size, weight, grade, thread and coupling, setting depth and condition (new or acceptably reconditioned): 150' 7"
20" SET WITH 53 SACKS CLASS CEMENT
1400' 4 1/2" 10.5# PRODUCTION CASING SET
IN 355 SACKS CEMENT

5. Cement -include the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up. If stage cementing, describe techniques: CLASS C on 7"
CLASS "H" on 4 1/2"

Surface casing shall be cemented back to surface. Centralizers shall be run, at a minimum, on the bottom three joints of each casing string.

6. Mud Program and Circulating Medium -include mud components and weights. When air drilling, also include: length and location of blooie line; description of the auto ignitor; description of the deduster equipment; and amounts, types and characteristics of stand-by mud: 50' Blooie line pointed into
PIT, WAIT - DIESEL ignitor, dust screen, 141B
HELL MUD - MIST DRILL

Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonable be expected.

7. Coring, Logging and Testing Program: Electric, neutron
BOND logs, cellar log (gamma)

Initial opening of drill stem test tools will be restricted to daylight hours.

8. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards -include anticipated bottomhole pressure and/or pressure gradient. Also list anticipated lost circulation zones, abnormal temperature zones and possible hydrogen sulfide bearing zones: 500 lb Bottom hole PSI
NO SULFIDE
NO ABNORMALS

9. Any Other Aspects of this Proposal that should be Addressed: none

B. THIRTEEN POINT SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

1. Existing Roads:

- a. Proposed route to location (submit a map depicting access and well location).

- b. Location of proposed well in relation to town or other reference point:

Exit ~~212~~ 212 off I 70

- c. Contact the County Road Department for use of county roads. The use of San Juan County roads will require an encroachment permit from the San Juan County Road Department. (CRAD)

- d. Plans for improvement and/or maintenance of existing roads: County Roads in sec 19 & 24

- e. Other: well access starts .02 mile SE of Martha #1

2. Planned Access Roads:

- a. Location (centerline): shown on map

- b. Length of new access to be constructed: 0.2 mile

- c. Length of existing roads to be upgraded: maintain existing ROW of Martha #1

- d. Maximum total disturbed width: 25 ft

- e. Maximum travel surface width: 15 ft

- f. Maximum grades: N/A
- g. Turnouts: N/A
- h. Surface materials: new f/drilling
- i. Drainage (crowning, ditching, culverts, etc): Flat blade for drilling ditch for drainage control with production
- j. Cattleguards: None
- k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM right-of-way is required: approximately 200'
- l. Other: _____

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by the Area Manager in advance.

If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations determined by the authorized officer.

If the well is productive, the access road will be rehabilitated or brought to Resource

(Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells -on a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: See exhibit

4. Location of Production Facilities:

- a. On-site facilities: Separator, meter house, ~~compressor~~ emergency pit
- b. Off-site facilities: ~~existing~~ existing
- c. Pipelines: Surge steel line to Martha #1 well tee in to pipeline tank.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required by comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: color to match

Sails

All site security guidelines identified in 43 CFR § 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed.

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7-3 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit as specified in NTL-2B. If water is produced from the well, an NTL-2B application must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): HAULED from Meads

A temporary water use permit for this operation will be obtained from the Utah State Engineer in Price, Utah at (801) 637-1303

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): NATIVE SOILS

The use of materials under BLM jurisdiction will conform to 43 CFR § 3610.2-3.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The reserve pit will be lined with (native material, bentonite, synthetic material):
will not line

The reserve pit will be located: SEE exhibit, and the pit walls will be sloped at no greater than ___ to 1.

The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations.

8. Ancillary Facilities:

9. Well Site Layout -depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1" = 50'.

All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR § 3162.6.

Access to the well pad will be from: See Diagram

The blooie line will be located: _____, at least 100 feet from the well head.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed:

Direct line into pit turn

10. Plans for Restoration of the Surface:

The top 2 inches of topsoil material will be removed from the location and stockpiled separately on: SEE exhibit

Topsoil along the access road will be reserved in place adjacent to the road.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

All road surfacing will be removed prior to the rehabilitation of roads.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

✓ Seed will be broadcast or drilled ~~between~~ between and at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used:

Specified by the
BLM at time of Abandonment

The abandonment marker will be one of the following, as specified by BLM:

- 1) at least four feet above ground level,
- 2) at restored ground level, or
- 3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

Additional requirements:

Federal / Federal

11. Surface and Mineral Ownership:

12. Other Information:

a. Archeological Concerns:

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;

- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

- a time frame for the AO to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

b. Threatened and Endangered Species Concerns: _____

c. Wildlife Seasonal Restrictions (yes/no): _____

d. Off-Location Geophysical Testing: _____

e. Drainage crossings that require additional State or Federal approval: _____

f. Other: _____

13. Lessee's or Operator's Representative and Certification

Representative:

Name: SATURN Resources Corp R. Lynn Dempsey
Title: VICE PRESIDENT
Address: 2031 Westridge
Plano TX 75075
Phone No.: 214 516 0246

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by SATURN Resources

CORP. UT 0841
and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under BLM bond no. UT0841. This statement is subject to the provisions of 18 U.S.C. § 1001 for the filing of a false statement.

R. Lynn Dempsey
Signature
Vice President
Title

8-25-93
Date

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Building Location- Contact the Resource Area, Natural Resource Protection Specialist at least 48 hours prior to commencing construction of location.

Spud- The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Authorized Officer. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First Production- Should the well be successfully completed for production, the District Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the District Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the District Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomical is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the District Office for approval pursuant to NTL-2B.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the District Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the District Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Office, within thirty (30) days following plugging and abandonment of the well. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify _____ of the _____ Resource Area, at _____ for the following:

2 days prior to commencement of dirt work, construction or reclamation;

1 day prior to spudding;

50 feet prior to reaching surface and intermediate casing depths;

3 hours prior to testing BOPE;

12 hours prior to reaching kickoff point depth (if applicable).

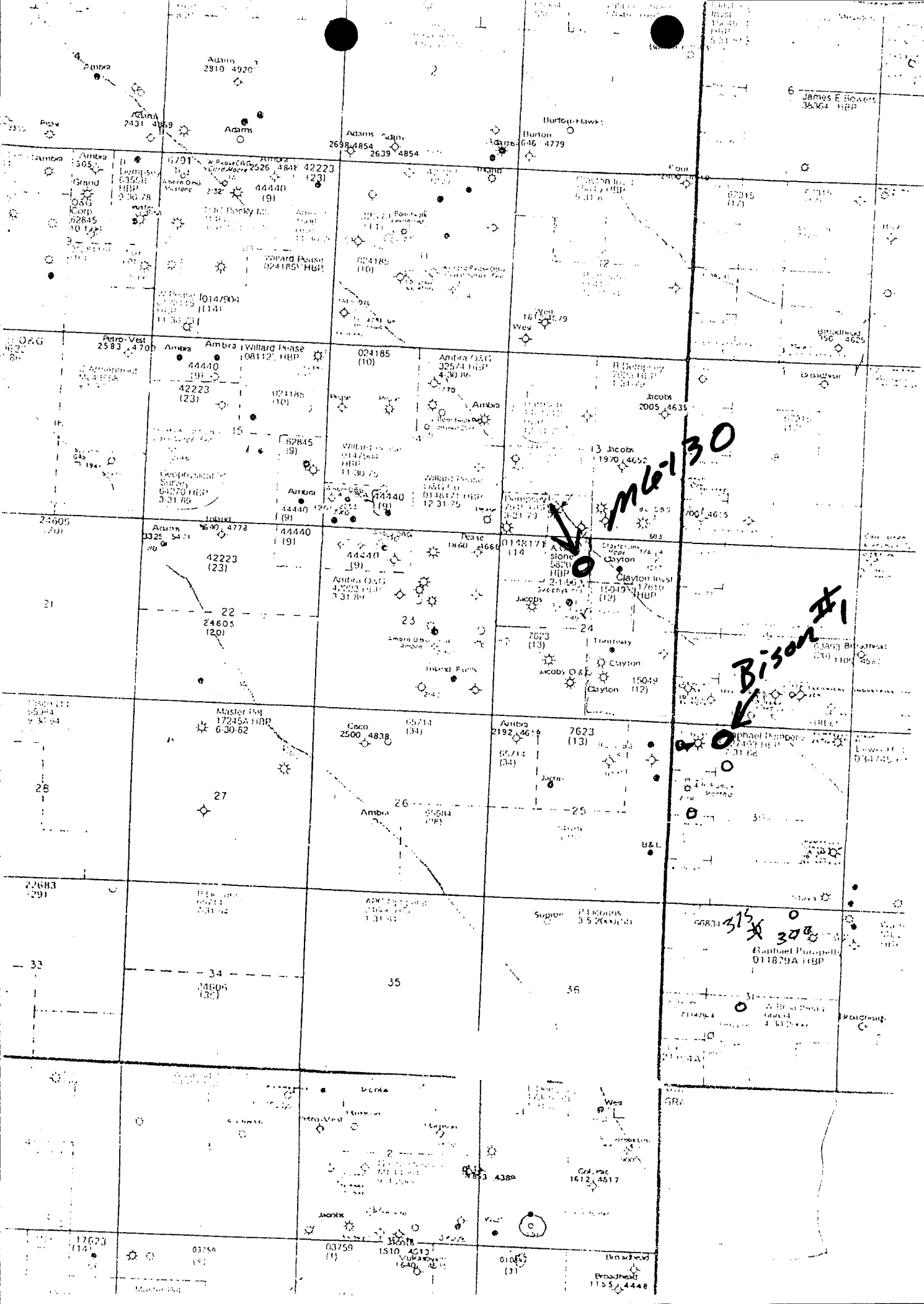
If the person at the above number cannot be reached, notify the Moab District Office at (801) 259-6111. If unsuccessful, notify one of the people listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: (801) 259-6111

Home: (801) 259-2214



m6-130

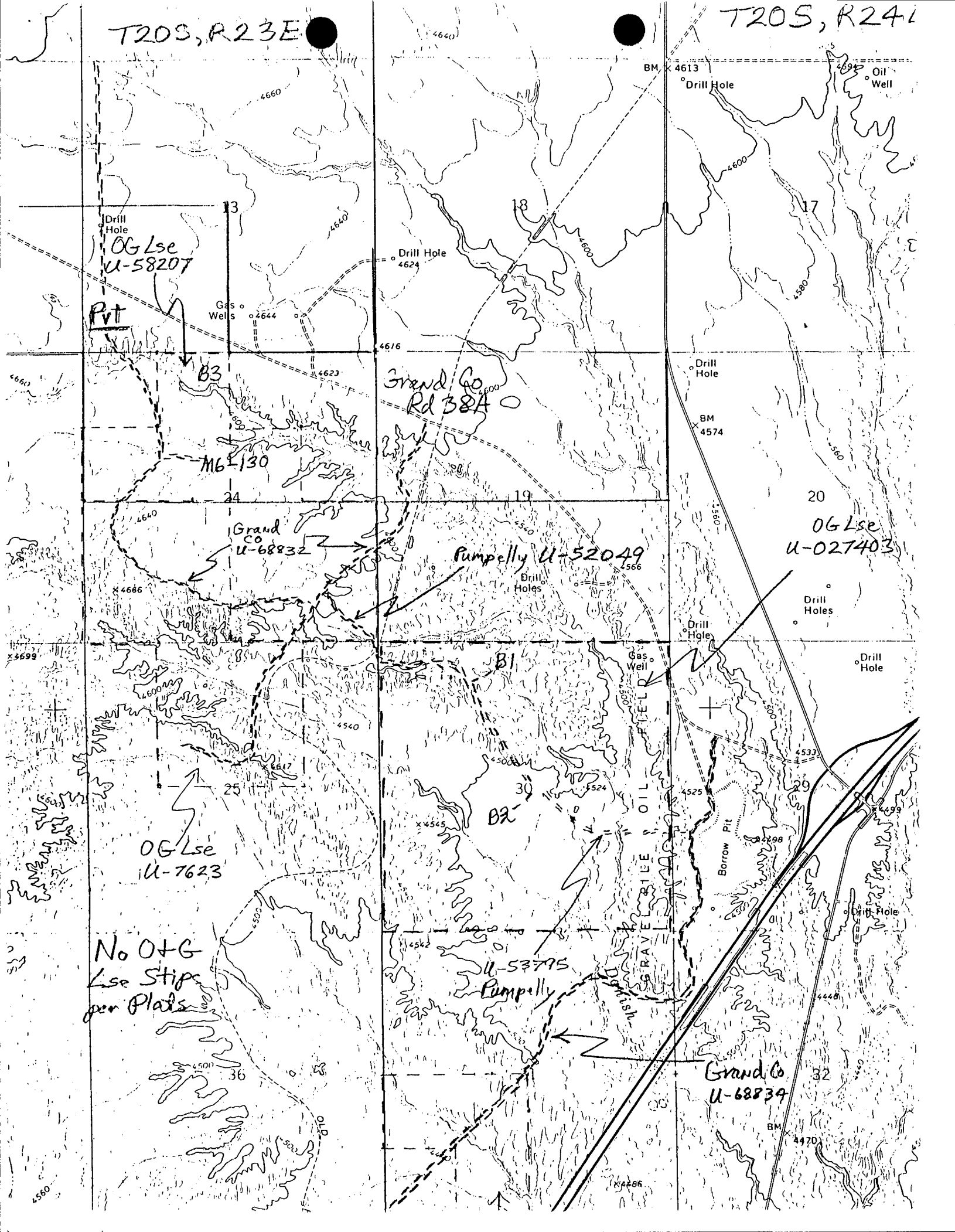
Bison #1

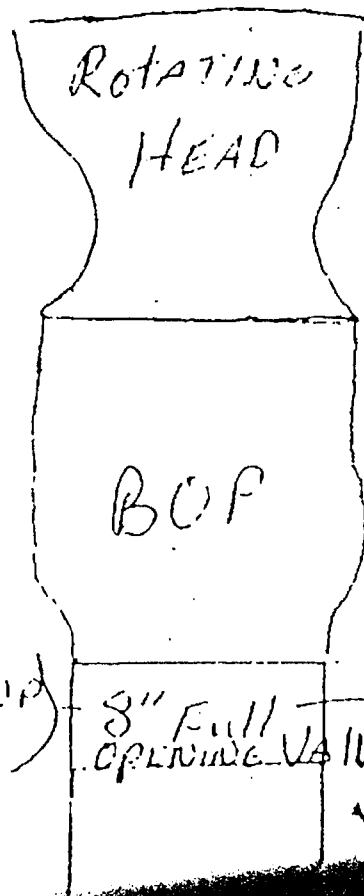
315
308
Raphael Pincelli
011879A HBP

Broadhead
1155-4448

T20S, R23E

T20S, R24E





(SEE BOP Schematic)

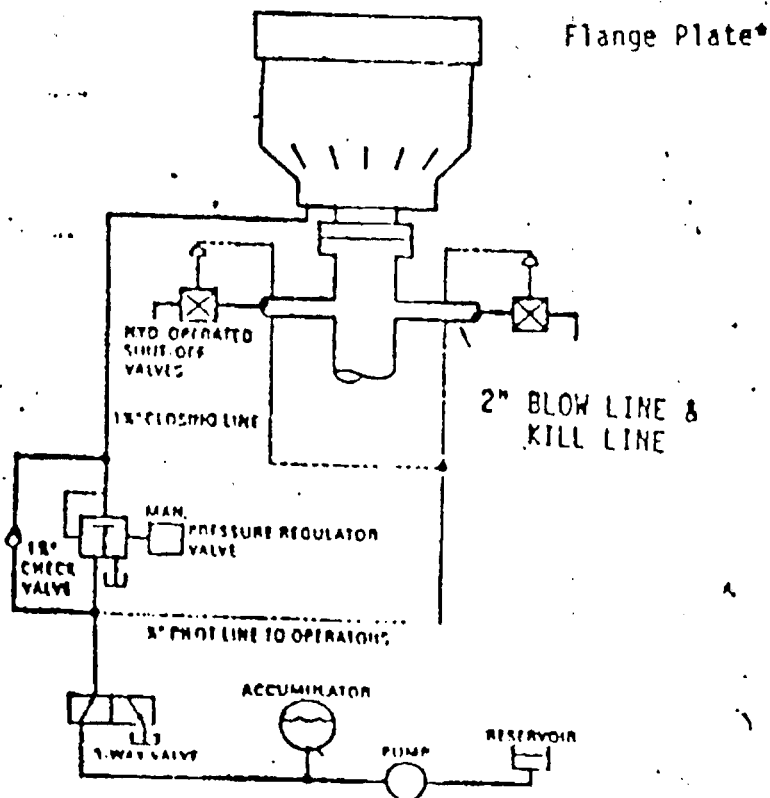
(900 WP
VALVE)

8" Full
Opening Valve

A

A GRANT ROTATING HEAD WILL BE BOLTED TO THE BOP FLANGE PLATE.*

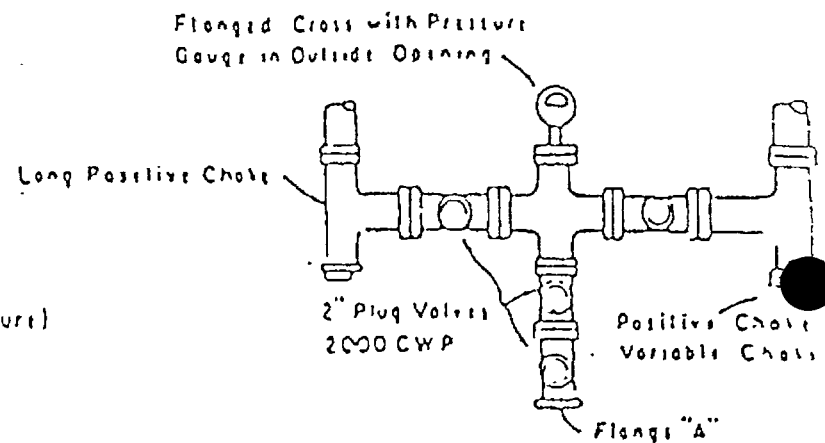
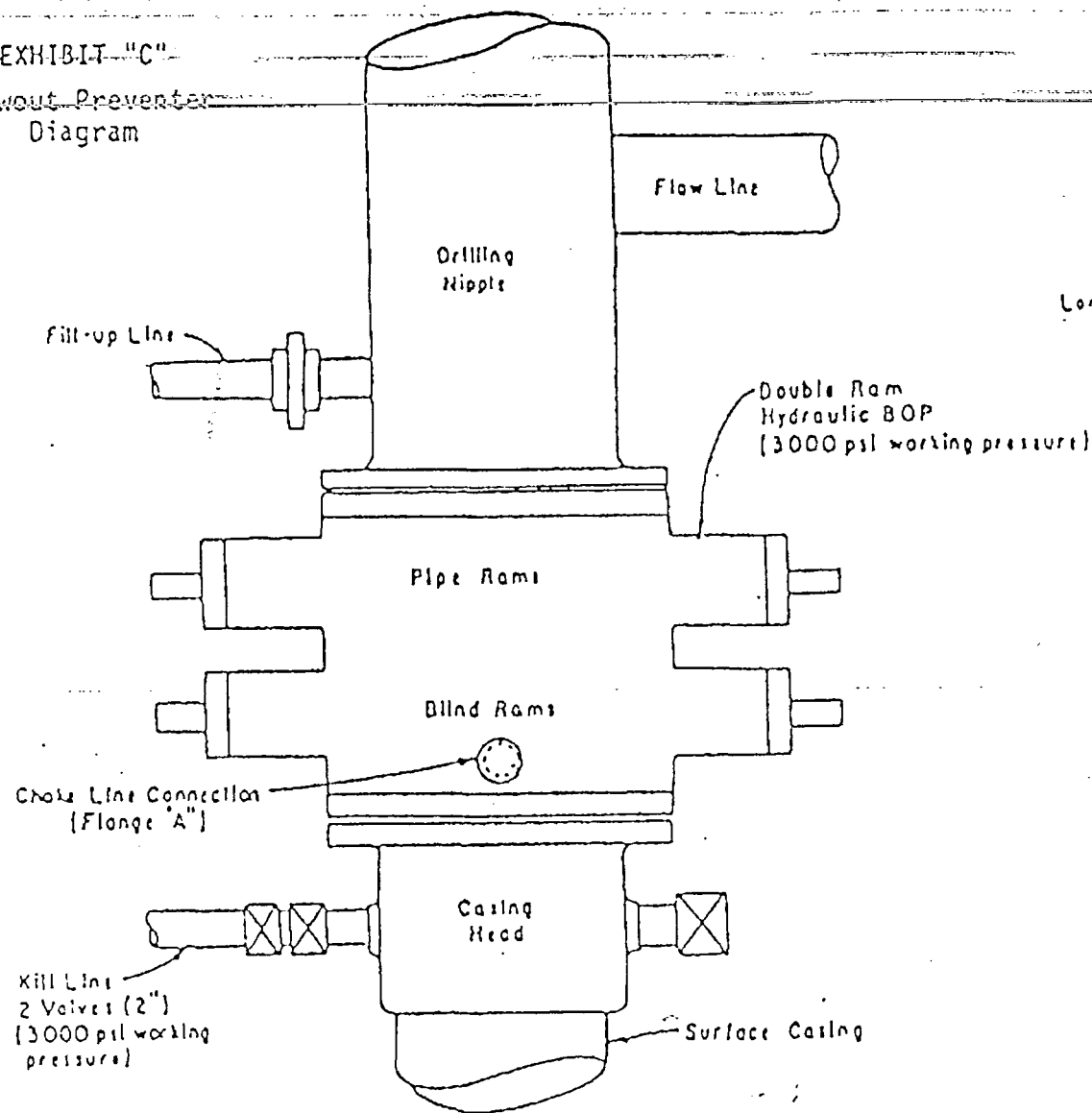
A DISCHARGE LINE RUNS FROM THE ROTATING HEAD.



REGAM-TOROUS TYPE E-1 BOP

EXHIBIT "C"

Blowout Preventer Diagram



PLAN VIEW-CHOKE MANIFOLD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☐

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

3. ADDRESS AND TELEPHONE NO.

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4545

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
TO THIS WELL

19. PROPOSED DEPTH

20. ROTARY OR CABLE TOOLS

22. APPROX. DATE WORK WILL START*

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 5/8	7"	20.0	150	75 SKS
6 3/4	4 1/2	10.5	1500'	155 SKS

RECEIVED

FEB 01 1994

DIVISION OF
OIL, GAS & MINING

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
Dated 1/1/80

SUBJECT TO RIGHT OF WAY

APPROVAL

CONDITIONS OF APPROVAL ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE

DATE

(This space for Federal or State office use)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS AND MINING

PERMIT NO.

APPROVAL DATE

DATE:

BY:

WELL SPACING

APPROVED BY

TITLE

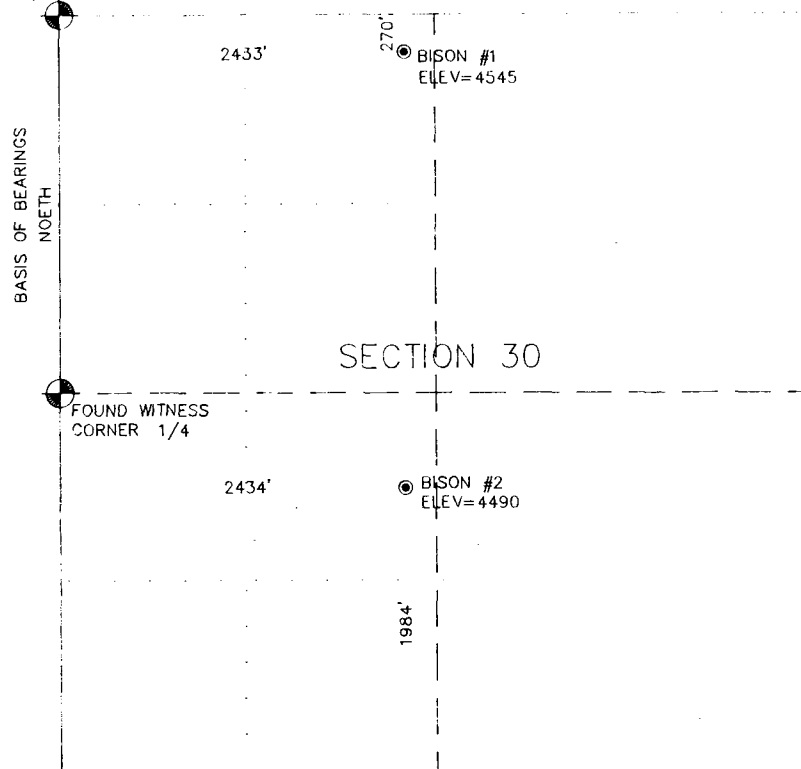
*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

A WELL LOCATION PLAT OF *BISON #1 & BISON #2*

IN THE
NW1/4 AND THE SW1/4 SECTION 30,
T 20 S, R 24 E, SLB & M, GRAND COUNTY, UTAH

NW CORNER SECTION
30, T 20 S, R 24 E, SLB & M



GRAPHIC SCALE



(IN FEET)
1 inch = 1000 ft.

LEGEND

- PROPOSED WELL LOCATION. MONUMENTED WITH A 3/8" x 12" SPIKE AND LATH
- ⊙ FOUND GLO BRASS CAP MONUMENT

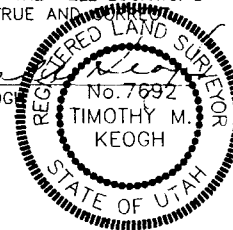
NOTE: ELEVATIONS BASED ON A ELEVATION OF 4580 AT THE NW CORNER SECTION 30 (FROM USGS 7.5' TOPO QUAD DANISH FLAT, UTAH)

SURVEYORS CERTIFICATE

I, TIMOTHY M. KEOGH, DO HEREBY CERTIFY THAT I AM A REGISTERED UTAH LAND SURVEYOR, HOLDING CERTIFICATE NO. 7692 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH, AND I FURTHER CERTIFY THAT UNDER AUTHORITY OF EXXON COMPANY, USA, I HAVE SURVEYED THE WELL LOCATIONS AS SHOWN HEREON AND THAT SAME IS TRUE AND CORRECT.

6-29-93
DATE

TIMOTHY M. KEOGH



KEOGH LAND SURVEYING

45 EAST CENTER STREET

MOAB, UTAH, 84532

A SURVEY PLAT OF
BISON #1 & BISON #2

IN THE
NW1/4 AND THE SW1/4 SECTION 30,
T 20 S, R 24 E, SLB & M, GRAND COUNTY, UTAH

PREPARED FOR

BISON RESOURCES

DATE: 6-29-93	DRAWN BY: TMK	CHECKED BY: TMK
SCALE: 1"=1000'	F.B.# 110	#21 BISON.DWG

Saturn Resources
Bison No. 1
Lease U-027403
NENW Section 30, T.20S., R.24E.
Grand County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Saturn Resources is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT 0841 (Principal - Saturn Resources) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

A. DRILLING PROGRAM

1. This well is in conflict with State spacing order no. 102-16B. One condition of the order is that wells must be at least 500 feet from lease lines. The proposed well location is only 270 feet from lease U-50229 to the north. In order to drill this location as proposed, an exception location must be approved by the Utah Division of Oil, Gas and Mining.

2. The following air drilling requirements, specified in Onshore Oil and Gas Order No. 2, are to be followed:

- Properly lubricated and maintained rotating head;
- Spark arresters on engines or water cooled exhaust;
- Blooie line discharge 100 feet from wellbore and securely anchored;
- Straight run on blooie line unless otherwise approved;
- All cuttings and circulating medium shall be directed into a reserve or blooie pit;
- Float valve above bit;
- Automatic igniter or continuous pilot light on the blooie line;
- Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the wellbore;
- Mud circulating equipment, water and mud materials (does not have to be premixed) sufficient to maintain the capacity of the hole and circulating tanks or pits.

B. SURFACE USE PLAN

1. No drilling will be allowed from May 15 through June 15 to protect antelope fawning. The limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be specified in writing by the authorized officer.
2. No construction or drilling operations will be authorized between April 1 and July 15, unless additional raptor surveys are completed prior to conducting operations to identify and avoid raptor nesting sites within 1/2 mile of the proposed action. Any peregrine falcon nesting areas identified within the project area will be avoided by 1 mile. These limitations does not apply to maintenance and operation of existing wells.
3. New roads will be constructed with a flat-bladed travel surface of 12-15 feet wide. Drainage control (waterbars, ditches, crowning) will be provided and maintained to prevent erosion of the travel surface. Class III Road Standards will be implemented if necessary for road maintenance and erosion control.
4. No vehicular traffic will be for authorized cross-country pipeline construction during wet weather when soils are saturated and subject to compaction or rutting.
5. Pipeline crossings along roads will be covered with soil and maintained to ensure there is adequate soil covering the pipeline for protection from vehicular traffic.
6. After the completion of drilling, the top of any blooie/reserve pits containing fluids will be covered with netting of one inch or less.
7. In the event the well pad or road is graveled or surfaced, the material will be removed prior to recontouring the surface for rehabilitation.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the Resource Area, Natural Resource Protection Specialist at least 48 hours prior to commencing construction of location.

Spud- The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Office. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the District Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

First Production- Should the well be successfully completed for production, the District Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed on production.

A first production conference will be scheduled as soon as production testing begins and hydrocarbons reach the surface. This conference should be coordinated through the Resource Area Office.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings and/or samples) will be submitted when requested by the District Office.

Venting/Flaring of Gas- NTL-4A allows venting/flaring of gas during the initial well evaluation period not to exceed 30 days or 50 MMcf. Venting/flaring beyond the initial test period threshold must be approved by the District Office.

Produced Water- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the District Office for approval pursuant to Onshore Oil and Gas Order No. 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Assistant District Manager for off-lease measurement, off-lease storage or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the District Office prior to initiating plugging operations. Table 1 of this document provides the after-hours phone numbers of personnel who are authorized to give plugging instructions.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Office within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify Jack Johnson or Rich McClure of the Grand Resource Area in Moab, Utah, at (801) 259-8193 for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spudding;

50 feet prior to reaching surface casing depth;

3 hours prior to testing BOPE;

If the person at the above number cannot be reached, notify the Moab District Office at (801) 259-6111. If unsuccessful, notify the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: (801) 259-6111

Home: (801) 259-2214

SATURN RESOURCES CORP.

REVOKED 1-1-93

OKLAHOMA CORP.

PRES. J. TOM DEMPSEY

5627

~~VANCE~~ BENT CREEK TRAIL

SEC. TRES. DALLAS TX 75252

{ R LYNN DEMPSEY 4124 LAWN DALE
R 75080

102-168
ERIC JONES
259-6111

SATURN RESOURCES CORP.

REVOKED 1-1-93

OKLAHOMA CORP.

PRES. J. TOM DEMPSEY

5627

BENT CREEK
TRAIL

SECTRES. DALLAS TX 75252

{ R LYNN DEMPSEY 424 LAWN DALE
R 75080

11/19/93

Talked to Mr. Dempsey
today told him we did
not have survey plat
nor the necessary
info for any of
the wells he's talking
about drilling.

Frank

He said he'd have Vernon
send us info, HA!

Gentlemen-

Attached is a copy
of cover page of APD
M6-130 U 58207
Submitted at an
earlier date, also
an APD of U027403
Bison #1. Mr. Dempsey
asked if I would send
you a copy.

Thanks!

Unlure Butts
801) 259-6111

BLM,
meals

SATURN RESOURCES CORP.

REVOKED 1-1-93

OKLAHOMA CORP.

PRES. J. TOM DEMPSEY

5627

~~WANE~~ BENT CREEK TRAIL

SECTRES. DALLAS TX 75252

{ R LYNN DEMPSEY 424 LAWN DALE
R. 75080

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info for any of
the wells he's talking
about drilling.

Frank

He said he'd have Vernon
send us info, HA!

Frank:

11/19/93

Per Lynn Dempsey
(Saturn Resources)
Please find enclosed
✓ a Survey Plat for well
NO. Bison #1 on lease
U 27403 and ✓ a Canada
APD plat for the MU-130
on lease U 58207.

Thank you!
Vernon Butts
259.4111

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/01/94

API NO. ASSIGNED: 43-019-31348

WELL NAME: BISON 1
OPERATOR: SATURN RESOURCES CORP (N1090)

PROPOSED LOCATION:

NENW 30 - T20S - R24E
SURFACE: 0270-FNL-2433-FWL
BOTTOM: 0270-FNL-2433-FWL
GRAND COUNTY
WILDCAT FIELD (001)
GREATER DISCO 205

LEASE TYPE: FED
LEASE NUMBER: U27403

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

Y Plat
Y Bond: Federal ☒ State ☐ Fee ☐
(Number _____)
N Potash (Y/N)
N Oil shale (Y/N)
N Water permit
(Number _____)
N RDCC Review (Y/N)
(Date: _____)

LOCATION AND SITING:

____ R649-2-3. Unit: _____
____ R649-3-2. General.
☒ R649-3-3. Exception.
☒ Drilling Unit.
Board Cause no: 102-16B
Date: 4/26/79

COMMENTS:

*Reference specific language in Order 102-16B
for exception location & also Utah Admin Rule
R649-3-3, Exception Wells*

STIPULATIONS: 1. WATER SOURCE & PERMIT WILL BE FILED

BY SUNDAY NOTICE PRIOR TO SPUD.

*Pursuant to Utah Code Annotated Section 40-6-6 and the
order issued by the Board of Oil, Gas and Mining in Cause No.
102-16B dated September 26, 1979, approval to drill the
referenced ^{exception} well is granted.*

SATURN RESOURCES BISON # 1 GRAND COUNTY, UTAH

R 23 E

R 24 E

6	5	4	3	2	1	6	5	4	3	2	1
7	8	9	10	11	12	7	8	9	10	11	12
18	17	16	15	14	13	18	17	16	15	14	T 13 20 S
19	20	21	22	23	24	19	20	21	22	23	24
						PROPOSED LOCATION					
						M6-130 LOCATION DRL					
30	29	28	27	26	25	30	29	28	27	26	25
31	32	33	34	35	36	31	32	33	34	35	36

254-8193
RICH McCLURE



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

February 4, 1994

Saturn Resources Corporation
2021 Westridge
Plano, Texas 75075

Re: Bison #1 Well, 270' FNL, 2433' FWL, NE NW, Sec. 30, T. 20 S., R. 24 E., Grand County, Utah

Gentlemen:

Pursuant to Utah Code Annotated Section 40-6-6 and the order issued by the Board of Oil, Gas and Mining in Cause No. 102-16B dated September 26, 1979, approval to drill the referenced exception well is granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.
2. Notification within 24 hours after commencing drilling operations.
3. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
4. Submittal of the Report of Water Encountered During Drilling, Form 7.
5. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or Mike Hebertson, Oil and Gas Field Specialist, (Home) (801)269-9212.
6. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.



Page 2
Saturn Resources Corporation
Bison #1 Well
February 4, 1994

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-019-31348.

Sincerely,

A handwritten signature in black ink, appearing to read 'R.J. Firth', is written over the printed name.

R.J. Firth
Associate Director, Oil and Gas

ldc
Enclosures
cc: Grand County Assessor
Bureau of Land Management, Moab
WOI1



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Moab District
82 East Dogwood Avenue
Moab, Utah 84532

3162
(UTU027403)
(UT-062)

Memorandum

APR 8 1996

To: Rich McClure
From: Verlene Butts
Subject: Rescinding Application for Permit to Drill
Saturn Resources Corporation
Well No. Bison 1
NENW Sec. 30, T. 20 S., R. 24 E.
Grand County, Utah
Lease UTU027403

43-019-31348

The above mentioned APD was approved January 27, 1994.

Could you please field check this location for any surface disturbance? If there has been no disturbance, we will rescind their APD.

Please notify Verlene Butts within 30 working days of the current status of this location.

 No Surface Disturbance/Rescind APD

per _____ dated _____

X Surface Disturbance/Hold for Successful Reclamation

per RM McClure dated 4/8/96

Comments: This location has NOT been reclaimed,
and the operator has NOT been cooperative.
Anticipate that this location will be a
compliance problem for another 1-2 years.

Tickler Set up for 4/8/96

NOTE:

per discussions
w/ RJE and FRM,
it was decided that
BLM will rescind this
permit. Surface disturbance
is BLM's responsibility.

DTs
4-15-96



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

April 15, 1996

Mr. Lynn Dempsey
Saturn Resources Corp.
P.O. Box 40008
Thompson Springs, Utah 84540

Re: Bison 1 Well, Sec. 30, T. 20 S., R. 24 E., Grand County, Utah, API No. 43-019-31348

Dear Mr. Dempsey:

Due to excessive time delay in commencing drilling operations, approval to drill the subject well is hereby rescinded, effective immediately.

Please note that a new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley
Administrative Manager
Oil and Gas

lwp

cc: BLM, Moab District Office
R.J. Firth
K.M. Hebertson
Well file

WO1219

